

## CHAPTER 12

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## CHAPTER 12

★CONTINGENCY PAY PLAN (CPP)1201 GENERAL

★120101. Background. The CPP provides for paying active duty members and allotment recipients for an indefinite period of time in the event of a major system disaster at the processing center (DFAS-KC).

★120102. Information

A. Payments under the CPP, including Direct Deposit payments, are based on the forecasted amount present in the MMPA as of the last U&E payday cycle prior to the disaster. This amount will continue to be paid until the system is restored (normal processing resumed). LESs, wage and tax statements (IRS Form W-2s), SPLs, and SERs will not be printed under the CPP. When the CPP is in effect for one payday, no changes to payments will be made. When the CPP is in effect for more than one payday, adjustments to payments will be made. Refer to chapter 12, section 2.

B. Upon implementation of the CPP, the DFAS-PSMJ/KC will issue an SAO message.

C. For allotment processing under the CPP, see DFAS-KC 7220.31-R (MCTFS APSM) Chapters 24 and 25. .

120103. Reserve Pay Service -- Contingency. In the event of a contingency, pay service for reserve members not on extended active duty will be suspended until the system can be restored or activated at a backup data processing site. Pay service should not be suspended for more than 30 days. Inactive reserve duty is irregularly scheduled and pay cannot be accrued until the duty is completed. Therefore, interim payment procedures during a contingency cannot be implemented without great risk of significant under and over payments to reserve members.

1202 CENTRALIZED PAYMENT PROCESSING

120201. DFAS-KC Responsibilities. The DFAS-KC responsibilities are the same as outlined in chapter 5, section 2, except that the DFAS-KC will prepare and forward checks as directed in their SOP.

★120202. Commanding Officer's Responsibilities. Immediately after being notified by an SAO message from the DFAS-PSMJ/KC that the CPP has been activated, identify to the finance officer those members who have entered a nonpay status (separated U/A, etc.) since the last U&E. Continue to notify the finance officer, on a daily basis, of any member that enters a nonpay status while the CPP is in progress.

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★120203. Finance Officer's Responsibilities. Upon receipt of an SAO message from the DFAS-PSMJ/KC announcing that the CPP has been activated, take the following actions:

★A. Upon notification of the members to be deleted, within 24 hours, and daily thereafter, provide the DFAS-APM/KC with a priority message listing members who have been separated or entered a nonpay status since the last U&E. These messages must include the member's name, SSN, separation date/date entered nonpay status, whether the member was or was not enrolled in DD/EFT, and the name and telephone number of a POC.

B. CPP in Effect for One Payday. Make no changes to payments. Follow the procedures outlined in chapter 5, section 2, for processing the checks received from the DFAS-KC.

C. CPP in Effect for More Than One Payday. Bearing in mind that the initial payments under the CPP were based on a forecasted amount due that may not have been the member's norm pay, manually compare the payments received with each member's norm payment for differences. If large under or overpayments appear, isolate the affected accounts, investigate the reason(s), and determine, on a case-by-case basis, those members who would incur a severe hardship or drastic overpayment if the forecasted CPP payment continued. Make adjustments to these payments following the procedures in chapter 5, section 2, as appropriate.

D. Process all other checks received, as outlined in paragraph B above.

E. Maintain all supporting documents (e.g., payrolls, financial returns or reports, diaries, etc.) until notified that the system has been restored.

### 1203 DECENTRALIZED PAYMENTS

★120301. Commanding Officer's Responsibilities. Immediately after being notified by DFAS-PSMJ/KC that the CPP has been activated, identify to the finance officer only those members who are on DD/EFT and who have entered a nonpay status (separated U/A, etc.) since the last U&E. Continue to notify the finance officer, on a daily basis, of any member that enters a nonpay status while the CPP is in progress.

120302. Finance Officer's Responsibilities. Upon receipt of an SAO message announcing that the CPP has been activated, obtain your payroll information from the validation extract file (VEF) and take the following actions:

★A. Upon Notification. Upon notification of the members to be deleted, within 24 hours, and daily thereafter, provide the DFAS-APM/KC with a priority message listing only those members who are on DD/EFT and who have been separated or entered a nonpay status since the last U&E. These messages must include the member's name, SSN, separation date/date entered nonpay status, and the name and telephone number of a POC.

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B. CPP in Effect for One Payday. Prepare the payroll as you normally do under decentralized pay processing instructions in chapter 5, section 3. Be sure to delete the names of those members who have been separated or entered a nonpay status since the last U&E.

C. CPP in Effect for More Than One Payday. Prepare the payroll as you normally do, continuing to delete the names of those members who are separated or in a nonpay status. If the payment amount on the VEF represents the member's norm, make the payment. If it does not, and the member will become overpaid and incur undue hardship if this payment continues, make an adjustment. Maintain all supporting documents (e.g., payrolls, diaries, etc.) until notified that the processing center is restored and has recovered.

★120303. Manpower Information Support Office (MISSO) Responsibilities. Continue to operate as you do under normal situations, with the exception that the DFAS-KC will not be furnishing the payroll data, and processed data may or may not be able to be transmitted. Obtain the data for the MPLs from the latest VEF. All data that is normally transmitted must be maintained until notified that the processing center is restored and has recovered.

#### 1204 FIELD DISBURSING DIVISION

★120401. Finance Officer's Responsibilities. The responsibilities of the DFAS-KCPSMJ under the CPP will be as outlined in their internal SOPs.

★120402. Commanding Officer's Responsibilities. After notification that the CPP has been implemented, notify the DFAS-PSMJ/KC daily, by message, of all members who have been separated or entered a nonpay status since the last U&E. Continue to provide the messages as long as the CPP is in progress.